

The Wasatch Front

Highlights



by Mark Knold

The Utah economy continues to show considerable improvement over the lethargic performance of the previous three years. Currently, employment growth is hovering around 3 percent—a nice turnaround from almost no growth a year ago. Most parts of the state are benefiting. In addition, the future looks promising for employment growth to continue in Utah. As usual, the unclear factor is the magnitude of that growth.

The elections are now over and Utah has a new Governor-elect. Should we expect this to have any kind of an effect upon our economy? The answer, at least in the short run, is very little. This is not implying that the Governor-elect is economically inept, or that economic

ideas and policies won't be put into place. Instead, politicians are largely takers of what the market delivers to them and not major influencers of how the market develops in Utah — at least not in the short run.

Over a longer term, political policies have the potential for impact. Utah's young population is its biggest asset, and educating them is Utah's biggest challenge. Maintaining education is critical, as the Governor-elect has acknowledged. There are many challenges surrounding education. The changing nature of the new economy is forcing another challenge upon us. It involves the role of our universities in economic development.

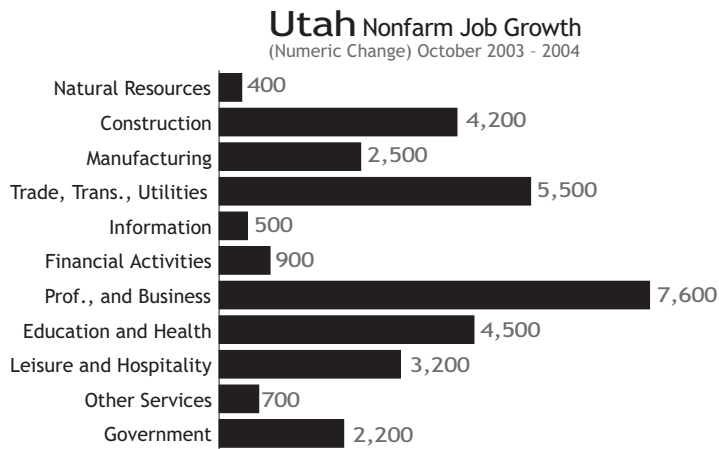
With the development of the information or technology economy, inventiveness and new-product development are top areas where a local economy can form a niche in the new economic structure. Research universities will play a bigger role in this identity. They will act as a catalyst for product development and economic growth.

It may require innovative ways of financing, but ultimately the economic output should be designed to pay for its own continued development.

To follow the latest economic events:

<http://jobs.utah.gov/wi/press/tlextra/tlextracurrent.asp>

Utah's challenge is that its higher education structure is made up largely of government universities. In many parts of the country, private educational institutions dominate. The administrators of Utah's education system have more than just its universities to focus upon, whereas private university administrators have only that university to administer. This adds to the focus and funding challenge, but the challenge must be met.



Source: Utah Department of Workforce Services



- ✓ Utahns, by a 57 percent margin, approved Amendment 2 to the state's constitution. Amendment 2 enables the state's two research universities to accept stock as payment when they sell or license intellectual property to corporate partners chosen to market researchers' inventions. http://www.sltrib.com/business/ci_2438162
- ✓ Intermountain Health Care plans to build a \$50 million hospital at the northwest corner of U.S. Highway 40 and state Route 248, also known as Quinn's Junction in Summit County. http://www.sltrib.com/business/ci_2436329
- ✓ Revenues to state and local governments from taxable sales got a boost in this year's second quarter, as businesses and consumers beefed up spending. <http://deseretnews.com/dn/view/0,1249,595100203,00.html>